

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 14326 051126Z

13

ACTION EA-10

INFO OCT-01 ISO-00 EB-07 COME-00 CIEP-01 TRSE-00 OMB-01

XMB-02 CIAE-00 INR-05 NSAE-00 RSC-01 /028 W

----- 088931

R 051026Z DEC 74

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 8897

INFO AMEMBASSY TAIPEI

AMCONGEN HONG KONG

LIMITED OFFICIAL USE MANILA 14326

E.O. 11652: NA

TAGS: EFIN, RP

SUBJECT: METROPOLITAN BANK AND TRUST COMPANY

REF: STATE 262714 (NOT SENT INFO ADDRESSEES)

1. METROPOLITAN BANK AND TRUST IS A LARGE, RAPIDLY GROWING AND RESPECTED PHILIPPINE COMMERCIAL BANK. AS OF SEPTEMBER 30, BANK HAD TOTAL ASSETS OF MORE THAN P1 BILLION AND DEPOSITS OF ALMOST P600 MILLION. BANK IS PHILIPPINES SEVENTH LARGEST IN TERMS OF ASSETS AND FIFTH LARGEST IN TERMS OF DEPOSITS. BANK'S RECORD IS PARTICULARLY IMPRESSIVE IN LIGHT OF ITS 1962 ESTABLISHMENT DATE. BANK HAS 42 BRANCHES THROUGHOUT THE PHILIPPINES AND INTENDS OPEN 10 ADDITIONAL BRANCHES BY THE END OF THIS YEAR. NEVERTHELESS, BANK HAS NET WORTH OF ONLY ABOUT \$12 MILLION AND LIKE MANY PHILIPPINE BANKS DEPENDS ON BORROWED FUNDS FOR LARGE SHARE OF ITS BANKING ASSETS.

2. PRESIDENT OF BANK IS ANDRES V. CASTILLO, FORMER GOVERNOR OF CENTRAL BANK, CHAIRMAN OF THE BOARD OF DIRECTORS IS EMILIO ABELLO, PRESIDENT OF MERALCO, OFFICER AND DIRECTOR IN NUMBER OF MAJOR PHILIPPINE FIRMS AND FORMER AMBASSADOR TO THE UNITED STATES. BANK IS NOT BELIEVED

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 14326 051126Z

TO BE DOMINATED BY ANY SINGLE FAMILY BUT HAS EXCELLENT

CONNECTION TO NUMBER OF SECTORS OF PHILIPPINE ESTABLISHMENT. ITS TIES TO ETHNIC AND OVERSEAS CHINESE COMMUNITIES APPEAR STRONG. PRESENCE OF GREGORIO LICAROS, JR. ON BOARD OF DIRECTORS NO DOUBT ENHANCES BANK'S RELATIONSHIP WITH MONETARY AUTHORITIES.

3.BANK HAS BRANCH OFFICE IN TAIPEI AND REPRESENTATIVE OFFICE IN HONG KONG.IT HAS APPLIED TO OPEN BRANCH OFFICES IN LOS ANGELES, GUAM, SAIGON, SINGAPORE AND HONG KONG. BANK HAS FOUND ITS TAIWAN OFFICE PROFITABLE. IT ANTICIPATES DEVELOPMENT REMITTANCE AND LETTER OF CREDIT BUSINESS BETWEEN ITS LOS ANGELES OFFICE AND ITS PHILIPPINE OFFICES AND THE TAIWAN BRANCH. VOLUME OF PRIVATE REMITTANCES TO THE PHILIPPINES IS INCREASING AND BANK HOPES TO REACH THE 60,000 FILIPINOS RESIDING IN CALIFORNIA THROUGH ITS LOS ANGELES OFFICE.

4. BANK HAS NOT YET APPLIED TO PHILIPPINE CENTRAL BANK FOR AUTHORITY TO OPEN LOS ANGELES BRANCH OFFICE. IT INTENDS TO DELAY APPLICATION UNTIL IT HAS MET CENTRAL BANK REQUIREMENTS FOR P100 MILLION CAPITALIZATION. IT NOW HAS PAID-IN CAPITAL OF P80 MILLION AND EXPECTS TO BE ABLE TO MEET REQUIREMENT IN ADVANCE OF SEPTEMBER 1975 DEADLINE.

5. EMBASSY SEES NO REASON TO OBJECT AUTHORIZATION BY STATE OF CALIFORNIA OF BRANCH BANKING OFFICE FOR METROPOLITAN BANK. BANK CONTROLS 30 PERCENT IN A QUASI BANKING INSTITUTION, FIRST METRO INVESTMENT CORPORATION, WHICH GIVES THE BANK A VEHICLE FOR ENGAGING IN MONEY MARKET OPERATIONS. POSSIBILITY EXISTS THAT BANK OR FIRST METRO MAY HAVE BEEN EXPOSED TO CONTINENTAL BANK AT TIME OF THAT BANK'S COLLAPSE.HOWEVER, INFORMATION ON THIS SUBJECT FROM OFFICIAL SOURCES HAS NOT BEEN MADE AVAILABLE TO EMBASSY, AND REPUTATON OF METROPOLITAN BANK REMAINS SOLID.IF FURTHER INFORMATION BEARING ON THE BANK'S APPLICATION SHOULD DEVELOP IN THE COMING MONTHS, EMBASSY WILL ADVISE DEPARTMENT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MANILA 14326 051126Z

6. EMBASSY WOULD APPRECIATE REPORT FROM DEPARTMENT ON ITS KNOWLEDGE OF METROPOLITAN BANK'S APPLICATION FOR A BRANCH OFFICE IN GUAM.
ARNOLD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANK BRANCHES, BANK DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 05 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: izenbei0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MANILA14326
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740353-0089
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741258/aaaabxog.tel
Line Count: 111
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: STATE 262714 (NOT SENT INFO ADDRESSE, ES)
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 09 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09-Aug-2002 by worrelsw>; APPROVED <17 MAR 2003 by izenbei0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: METROPOLITAN BANK AND TRUST COMPANY
TAGS: EFIN, RP, METROPOLITAN BANK & TRUST CO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005